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In Argentina, Acid Tests For a Fragile Democracy

Bright hopes are starting to fade as the first elected President in nearly a decade meets trouble on every side.

BUENOS AIRES

Just 14 months after a switch from military to civilian rule was to have cured Argentina's many woes, danger flags are again flying high over this troubled South American nation.

Along the fashionable Calle Florida, the usual teatime calm suddenly is shattered by a gang of 50 left-wing toughs who storm into shops and cafés, beating and robbing customers.

In a leading hotel in downtown Buenos Aires, guests are brusquely herded into a bar to drink champagne while paramilitary invaders systematically loot their rooms.

And in scores of curtained back offices, clerks, waiters and businessmen feverishly exchange pesos for dollars in a vain effort to keep abreast of one of the world's highest inflation rates.

These and dozens of similar events in recent days underscore the depth of Argentina's plunge toward a new round of political anarchy, economic chaos—and possibly another military coup.

President Raúl Alfonsín took office on Dec. 10, 1983, amid widespread celebrations heralding the "return to democracy." Today, there are rapidly growing doubts that the country's first civilian chief in nearly a decade can hold on to power until his term ends in 1989.

"There won't be a military coup in 1985, but after that, who knows?" says a diplomat in this modernistic capital that once considered itself the leading center of European culture in Latin America.

Make-or-break year. Many people are convinced that 1985 will be a decisive year for Argentina, its fledgling democracy and its popular but indecisive President. There is little agreement, however, about which of the many challenges facing the 58-year-old Alfonsín is most likely to be his undoing.

The hurdles include a revival of political violence, delays in punishing human-rights violators in the military, opposition from Peronista radicals, plotting by disgruntled military officers and the ravages of inflation, now hitting a 688 percent annual rate.

Making matters worse, none of these difficulties can be resolved by itself or—in most cases—without making other problems even worse.

Inflation, for example, could likely be cured by accepting stiff conditions laid down by the International Monetary Fund as a price for renegotiating Argentina's 45-billion-dollar foreign debt. But the resulting austerity inevitably would rekindle the appeal of politically potent followers of former dictator Juan Perón on the left—or equally free-spending generals on the right.

In Washington, which will welcome Alfonsín for a high-profile state visit starting on March 19, survival of democracy in Argentina means much more than keeping another nation on the roster of Latin civilian regimes.

One practical reason for the Reagan administration's concern is Argentina's advanced nuclear-development program, which some analysts believe already makes the country capable of producing atomic weapons. U.S. officials fear a new military junta would be more likely to threaten neighboring nations with nuclear weapons than would a democratic government.

Leftist leanings. Other worries include Argentina's overtures to Latin American leftists and its growing ties to the Soviet Union. Despite economic troubles at home, the Alfonsín government has provided Fidel Castro's Cuba with a three-year, 600-million-dollar credit and given Marxist Nicaragua a 50-million-dollar credit to buy grain.

It also extended an unusually warm welcome to Ernesto Cardinal, Nicaragua's controversial Minister of Culture, a Roman Catholic priest whom Pope John Paul II later suspended from the priesthood for refusing to resign his government post.

Flirtation with the left is popular in the capital. Slogans painted on downtown walls urge "anti-im-

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Mothers demand that the government find children who disappeared during military rule.

perialist solidarity with Nicaragua and Cuba." A 120-member Argentine Communist youth brigade is in Nicaragua to pick coffee—and perhaps to receive military training.

Under a trade agreement expected to be extended this year, Argentina sells the Soviet Union 7.5 million tons of grain a year. This earns a welcome 1.5-billion dollars annually in hard currency, but it is fueling fears of economic dependence on the Kremlin. "We know we are susceptible to Soviet pressure when they are our major grain buyer," says an Alfonsín aide. "That's why the President wants to diversify exports."

Diplomats say Moscow is mounting a huge effort to win friends in Argentina. A steady stream of Soviet ballet stars, concert artists and motion pictures is being sent here. The Soviet airline, Aeroflot, flies handpicked Argentines to Moscow on all-expense-paid tours.

Another agreement opens the port of Buenos Aires for resupply and crew-exchange visits by Soviet fishing vessels. Many people here are convinced this will turn Argentina into a de facto base for Soviet spy ships—which often double as fishing trawlers.

Resentment toward U.S. The U.S. faces two major handicaps in countering Soviet gains here. One is lingering resentment over President Reagan's open support of Britain in the 1982 Falklands War, which resulted in a humiliating defeat for Argentina. The other is a widespread feeling that America's public and private financial institutions are somehow responsible for Argentina's financial plight. This attitude persists despite major U.S. help in renegotiating easier payment terms for Argentina's foreign debts.

For the moment, Alfonsín's greatest asset is widespread enthusiasm on almost every economic and social level for the freedoms that followed his decisive election victory.

A Buenos Aires worker who complains that inflation is choking him nonetheless insists that "any democracy is better than a military government." The heady influx of books and movies that were banned during long years of military repression wins plaudits from students and intellectuals.

Freedom to argue politics without fear of arrest and possible torture has a strong appeal to people so addicted to talk of any kind that they turn out in great numbers for poetry-reading sessions in nightclubs.

But there is increasing concern that events are spinning out of control. "Alfonsín is the only democratic alternative we have, and he isn't governing," observes a prominent local attorney. "Our hope is that he will soon learn to make decisions instead of just looking for a consensus."

Key aides say that even before taking office Alfonsín had decided his first priorities would be to cement civilian supremacy over the discredited military, strengthen the rule of law and build respect for human rights. Analysts give him high marks on the first objective but much lower ratings on the other two.

For the first time in many years, civilians now head Argentina's defense, intelligence and police agencies. The military budget was cut by 40 percent in 1984, and almost half the generals on active duty were retired. Nine high-ranking officers are expected to be given prison sentences this year for condoning past human-rights violations.

The rule of law, however, is anything but firm. Unemployment is blamed for a surge in robberies, muggings and other street crimes. Political kidnappings and gang warfare are spreading. Leftists complain that former security agents and Army paramilitary units are fomenting disorder to discredit Alfonsín and justify another takeover. To right-wingers, the villains are Peronista-backed Montonero guerrillas who collect ransoms to fund political upheavals.

Human-rights leaders contend Alfonsín is afraid to force a showdown with the armed forces over past crimes, especially their role in the disappearance of 9,000 to 15,000 people during the Army's "dirty war" against leftist guerrillas in the 1970s. The President's decision to let the military try the accused officers, says one activist, "is like letting the Gestapo try the Gestapo."

Bitter controversy. Highly emotional criticism is also leveled at Alfonsín for not taking stronger action to resolve the mystery of at least 400 missing children of "disappeared" parents. Civil-rights workers insist that many of the youngsters either were adopted by military or police officers who had killed their parents or were sold to them by other death-squad members.

The ultimate challenge for Alfonsín will be to repair an inflation-battered economy without committing political suicide. Though the treeless Argentine pampas rank among the world's richest agricultural regions, national economic disruptions are so great that the government, churches and trade unions must distribute food to the needy and the jobless. Strikes are frequent and worker productivity low.

But the most vicious economic foe is inflation. Because of double-digit price increases every month—24 percent in January alone—merchants do not even put price tags on goods, and most workers' pay is adjusted weekly.

Currency speculation is a favorite way of trying to maintain living standards. "Everybody does it," says a television commentator. "Somebody earning the equivalent of $500 a month will live on $400 and use the rest to speculate on the peso's changing value."

To more and more Argentines, their nation's present is beginning to look like a replay of its past: Democracy crumbling under soaring prices and spreading violence—with the generals waiting in the background. □

By CARL J. MIGDAIL

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Despite Argentina's agricultural wealth, the jobless depend on soup kitchens.